REMARKS

Claims 1, 5-13 and 19 are pending in this application. By this Amendment, the drawings are replaced pursuant to the attached drawing sheet, claims 2-4, 14-18 and 20-22 are cancelled without prejudice to or disclaimer of the subject matter contained therein, and the specification and claims 1, 5-13 and 19 are amended. No new matter is added by any of these amendments.

Applicant gratefully acknowledges that the Office Action indicates that claims 8-13 and 19 are allowed, and that claims 5-7 contain allowable subject matter. However, Applicant asserts that rejected claim 1 is also allowable for the reasons discussed below.

Reconsideration based on the following remarks is respectfully requested.

I.   Claim 1 Defines Patentable Subject Matter

The Office Action rejects claim 1 under 35 U.S.C. §103(a) over U.S. Patent 6,216,228 to Chapman *et al.* (hereinafter "Chapman") in view of U.S. Patent 6,064,764 to Bhaskaran *et al.* (hereinafter "Bhaskaran"). This rejection is respectfully traversed.

Applicant respectfully asserts that Chapman and Bhaskaran, alone or in combination, do not teach or suggest a digital camera including an imaging device that forms a digital image data of an object, a memory that stores a plurality of programs each to embed a watermark on the digital image data, a program selector that selects one of the plurality of programs, and an embedding circuit that embeds the watermark on the image data according to the program selected by the program selector, as recited in claim 1.

Instead, Chapman discloses a control system for displaying video or image data. In particular, Chapman teaches a controller 16 that passes a data signal from an input 24 to a processor 25 and is connected to RAM 26, non-volatile memory 27, a buffer 28 and an output driver 29. Chapman also teaches a decoder key 38 for extracting watermarks (col. 7, lines 10-21 and Fig. 2 of Chapman).

The digital watermark embedded within a video signal image in Chapman represents the most suitable version or variation in a video transmission and display system. Thus, Chapman does not disclose embedding a watermark within an image of a digital camera. Consequently, Chapman fails to prevent the image from being copied or falsified before embedding the watermark within the video signal image, *e.g.*, within a camera, in contrast to Applicant's claimed features.

Further, Bhaskaran discloses a watermarking scheme for inserting and extracting fragile watermarks in the frequency domain. In particular, Bhaskaran teaches a method of watermarking by computing a k-bit hash value H of the image, computing an m-bit watermark W by a signature algorithm S as a function of the hash value and a secret key K_s, and embedding the watermark into the image (col. 4, lines 11-17 and Fig. 2 of Bhaskaran).

Thus, although Bhaskaran embeds a watermark within an image from a camera, in contrast to Applicant's claimed features, Bhaskaran lacks any teaching to embed a selected watermark from among a plurality.

Thus, neither Chapman nor Bhaskaran teaches that in a camera, a selected watermark, among a plurality of kinds of watermarks, is embedded within an image. Accordingly, the applied references do not achieve the advantages provided by Applicant's claimed features that greatly reduces the risk of being copied or falsified.

Further, there is no motivation to combine features related to the video controller of Chapman with the fragile watermark provider of Bhaskaran, nor has the Office Action established sufficient motivation for a *prima facie* case of obviousness. Even assuming that motivation to combine the applied references is established, the combination fails to teach or suggest Applicant's claimed features.

A *prima facie* case of obviousness for a §103 rejection requires satisfaction of three basic criteria: there must be some suggestion or motivation either in the references or

knowledge generally available to modify the references or combine reference teachings, a reasonable expectation of success, and the references must teach or suggest all the claim limitations (MPEP §706.02(j)). Applicant asserts that the Office Action fails to satisfy these requirements with Chapman and Bhaskaran.

For at least these reasons, Applicant respectfully asserts that the rejected independent claim is patentable over the applied references. Thus, Applicant respectfully requests that the rejection under 35 U.S.C. §103 be withdrawn.

II.   The Claims Satisfy All Formal Requirements

The Office Action objects to claims 5-7 as depending from a rejected base claim. The prior art rejection of base claim 1 is traversed above. Withdrawal of the claim objection is respectfully requested.

III.   Conclusion

In view of the foregoing remarks, Applicant respectfully submits that this application is in condition for allowance. Favorable reconsideration and prompt allowance are earnestly solicited.

Should the Examiner believe that anything further is desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact Applicant's undersigned representative at the telephone number listed below.

Respectfully submitted,

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MAC:GWT/gwt

Attachment:
    Replacement Sheet (Fig. 10)

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